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21 *Attorneys for Defendant*
22 *MagnaChip Semiconductor Corp.*

23 **UNITED STATES DISTRICT COURT**

24 **NORTHERN DISTRICT OF CALIFORNIA**

25 RICHARD HAYES, Individually and on Behalf of
26 All Other Persons Similarly Situated,

27 Plaintiff,

28 v.

MAGNACHIP SEMICONDUCTOR CORP., SANG
PARK, TAE YOUNG HWANG, and MARGARET
SAKAI,

Defendants.

CASE NO. 3:14-cv-01160-JST

STIPULATION AND ~~PROPOSED~~
ORDER EXTENDING DEFENDANTS'
TIME TO RESPOND TO CLASS
ACTION COMPLAINT AND
CONTINUING CASE
MANAGEMENT CONFERENCE AND
HEARING ON MOTION TO
APPROVE LEAD PLAINTIFF

STIPULATION AND ~~PROPOSED~~ ORDER EXTENDING DEFENDANTS' TIME TO RESPOND TO CLASS ACTION COMPLAINT
AND CONTINUING CASE MANAGEMENT CONFERENCE AND HEARING ON MOTION TO APPROVE LEAD PLAINTIFF

1 WHEREAS, Plaintiff Richard Hayes (“Plaintiff”) filed a purported Class Action
2 Complaint for Violations of the Federal Securities Laws (the “Complaint”) against Defendants
3 MagnaChip Semiconductor Corp. (“MagnaChip”), Sang Park, Tae Young Hwang, and Margaret
4 Sakai (collectively, “Defendants”) in the above-captioned matter on March 12, 2014;

5 WHEREAS, based on the date on which the Complaint was served on
6 MagnaChip, Magnachip’s response to the Complaint is currently due on or before June 3, 2014;

7 WHEREAS, pursuant to the Court’s March 12, 2014 Order Setting Initial Case
8 Management Conference and ADR Deadlines, the Initial Case Management Conference is
9 scheduled for June 11, 2014;

10 WHEREAS, the Complaint sets forth claims under the federal securities laws that
11 are subject to the procedural requirements of the Private Securities Litigation Reform Act of
12 1995 (the “PSLRA”), including those set forth in 15 U.S.C. § 78u-4;

13 WHEREAS, the PSLRA requires that, after filing a securities class action, the
14 plaintiff must give notice of the action to allow other interested shareholders the opportunity to
15 file motions for appointment as lead plaintiff (*see* 15 U.S.C. § 78u-4(a)(3)) and, thereafter, that
16 the Court appoint a lead plaintiff;

17 WHEREAS, on May 12, 2014, Keith Thomas moved for appointment as lead
18 plaintiff, responses to the motion are due by May 27, 2014, and the Court set July 3, 2014 as the
19 date for the hearing on the motion;

20 WHEREAS, the PSLRA provides that, upon the filing of a motion to dismiss by
21 the defendants in a private securities fraud action, all discovery and other proceedings shall be
22 stayed during the pendency of such motion (*see* 15 U.S.C. § 78u-4(b)(3)(B));

23 WHEREAS, the United States Court of Appeals for the Ninth Circuit has ruled
24 that the PSLRA stay of discovery during the pendency of a motion to dismiss includes a stay of
25 initial disclosures pursuant to Rule 26(a)(1) of the Federal Rules of Civil Procedure (*see*
26 *Medhekar v. U.S. Dist. Court for the N. Dist. of Calif.*, 99 F.3d 325 (9th Cir. 1996));

1 WHEREAS, to avoid unnecessary expenditure of judicial resources and effort by
2 the parties and the Court, counsel for Plaintiff and MagnaChip have agreed (1) that Defendants
3 do not need to respond to the Complaint, or to any other related class action complaint that may
4 be filed in or transferred to this Court ("Related Action") prior to the Court's appointment of lead
5 plaintiff and (2) to continue the Initial Case Management Conference until after a lead plaintiff
6 has been appointed to represent the alleged class; and

7 WHEREAS the parties wish to move the hearing on the lead plaintiff motion to a
8 more convenient date;

9 NOW, THEREFORE, it is hereby stipulated and agreed by the undersigned
10 counsel for Plaintiff and counsel for MagnaChip as follows:

11 1. Defendants are not required to answer or otherwise respond to the Complaint or to
12 any Related Action by June 3, 2014, or at any time prior to the Court's appointment of a lead
13 plaintiff.

14 2. The hearing on the motion to appoint lead plaintiff and approval of lead counsel
15 previously scheduled for July 3, 2014 shall be continued to July 10, 2014, at 2:00 PM in
16 Courtroom 9, 19th Floor, San Francisco.

17 3. Within ten (10) days after the entry an order appointing lead plaintiff(s) and lead
18 counsel in the above-captioned action (or a consolidated action encompassing the above-
19 captioned action) pursuant to the PSLRA, the lead plaintiff(s) and Defendants shall confer and
20 propose to the Court dates by which lead plaintiff(s) shall either: (a) serve and file an amended
21 or consolidated class action complaint that shall serve as the operative complaint in the action
22 and shall supersede any other complaints filed in and/or transferred to this Court, or (b) notify
23 counsel for Defendants that the original complaint filed in this action shall be the operative
24 complaint in the action.

25 4. If lead plaintiff(s) serves and files an amended or consolidated complaint,
26 Defendants shall have sixty (60) days following service to move or answer in response to that
27 complaint. If lead plaintiff(s) notifies Defendants that the original complaint shall serve as the
28

1 operative complaint, any Defendant that has been served with the complaint shall move or
2 answer in response to the complaint no later than sixty (60) days after lead plaintiff(s) provides
3 such notice. If any Defendant files a motion to dismiss the complaint, lead plaintiff(s) shall have
4 sixty (60) days to respond to the motion, and Defendants shall have thirty (30) days to file their
5 reply brief(s).

6 5. The Initial Case Management Conference, currently scheduled for June 11, 2014,
7 is hereby adjourned to such other date and time as this Court shall order.

8 6. The May 21, 2014 deadline for the parties to meet and confer regarding initial
9 disclosures and other issues and the June 4, 2014 deadline for the parties to complete initial
10 disclosures or state objections in a Rule 26(f) report and to file a Case Management Statement
11 and Rule 26(f) report are hereby adjourned to such other date and time as this Court shall order.

12 7. MagnaChip's agreement to this Stipulation is without prejudice to and without
13 waiver of any of its defenses, objections, or arguments in this matter or any other matter.

14 8. No previous request for extension of time has been made in this action.

15 Dated: May 21, 2014

Respectfully submitted,

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20 By: /s/ John C. Tang

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10 (* Pro Hac Vice applications forthcoming)

11 *Attorneys for Defendant MagnaChip*
12 *Semiconductor Corp.*

13 *I, John C. Tang, am the ECF User whose ID and password are being used to file this*
14 *STIPULATION AND [PROPOSED] ORDER EXTENDING DEFENDANTS' TIME TO*
15 *RESPOND TO CLASS ACTION COMPLAINT AND CONTINUING CASE MANAGEMENT*
16 *CONFERENCE AND HEARING TO APPROVE LEAD PLAINTIFF. In compliance with Civil*
17 *L.R. 5-1(i)(3), I hereby attest that the signatory below has concurred in this filing.*

18 Dated: May 21, 2014

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*Attorneys for Plaintiff
Richard Hayes*

IT IS SO ORDERED.

Dated: May 23, 2014

